

The Consequence of work environment on Employees Productivity

Dr. Aram Hanna Massoudi, Dr. Samir Salah Aldin Hamdi
College of Administrative and Financial Science/ Cihan University/Erbil, Iraq

Abstract: This research aims to analyze working environment of a foreign private banks operating in Kurdistan Region of Iraq and examines the relationship between the workplace physical conditions and employee's productivity. The research uses qualitative approach, the data was collected from a questionnaire distributed to 50 employees working in four foreign banks in the Kurdistan Region of Iraq. The result will show that There is a relationship between office environment and productivity of employees. Behavioral components of office environment have a greater effect on productivity, than the physical components alone. And Satisfaction of Employees towards overall Workplace Environment leads to productivity.

Keywords: Workplace environment, Productivity.

I. Introduction

Organizational environment plays a essential role for the employees. These days employees may have a large number of working alternatives, thus the environment in workplace becomes a critical factor for accepting and/or keeping the jobs. The quality of environment in the workplace may simply determine the level of employee's motivation, subsequent performance and productivity. How well employees get along with the organization influence the employee's error rate, level of innovation and collaboration with other employees, absenteeism and ultimately time period to stay in the job. Therefore, HR managers need to consider new strategies for selecting and retaining best talents for their organizations. Higher salaries and compensation benefits may seem the most likely way to attract employees. However, quality of the physical workplace environment may also have a strong influence on a company's ability to recruit and retain talented people. Some factors in workplace environment may be considered essential such as employee's engagement, productivity, morale, comfort level etc. both positively and negatively.

Although convenient workplace conditions are requirements for improving productivity and quality of outcomes, working conditions in many organizations may present lack of safety, health and comfort issues such as improper lightening and ventilation, excessive noise and emergency excess. People working under inconvenient conditions may end up with low performance and face occupational health diseases causing high absenteeism and turnover. There are many organizations in which employees encounter with working conditions problems related to environmental and physical factors. Pech and Slade (2006) argued that the employee disengagement is increasing and it becomes more important to make workplaces that positively influence workforce. According to Pech and Slade the focus is on symptoms of disengagement such as distraction, lack of interest, poor decisions and high absence, rather than the root causes.

The research presents the analysis of the working environment of a four private foreign bank in Kurdistan Region of Iraq . The objective of this research is to investigate if there exists any relation between workplace conditions and employee's performance. A survey study is implemented on the employees of the bank.

1.1 Research Problem:

Many organizations have been trying new designs and techniques to construct office buildings, which can increase productivity, and attract more employees. Many authors have noted that, the physical layout of the workspace, along with efficient management processes, is playing a major role in boosting employees' productivity and improving organizational performance. Other factors are also significant such as: furniture, noise, flexibility, comfort, communication, lighting, temperature and the air quality. This research is investigating dimensions of workplace environment in terms of physical as well as behavioral components. Therefore the researchers present the following related questions:

1. Is there any relationship between the components of office environment and the performance level of employees?
2. Which component of office environment? Behavioral or physical has the greater impact on productivity of the employees.
3. Which elements of the two components of the office environment have the significant effect on the performance level of employees?

Also, the term work environment is used to describe the surrounding conditions in which an employee operates. The work environment can be composed of physical conditions, such as office temperature, or equipment, such as personal computers. It can also be related to factors such as work processes or procedures.

2.1.2 Physical components of Workplace environment:

Temperature: Companies should maintain an appropriate temperature for employees. Although most people have their own preferences for hot and cold temperatures, an unpleasant setting may cause workers to perform poorly on the job. When work is performed outdoors, employers must take into account how long the employee will be exposed to direct sunlight, rain or snow. Adequate provisions must be in place to reduce the harmful effects of working in extreme conditions.

Lighting: Without proper lighting, people may strain to view objects, which can lead to eye fatigue. This is especially important for those who use a computer frequently to perform work-related tasks. When viewing contrasts between dark and light areas of a computer screen, people can experience headaches. Companies can improve a poor lighting situation by using light diffusers and drapes to cover windows.

Heavy Lifting: Repetitive heavy lifting increases the chances of injury. Proper lifting techniques must be practiced. Bursitis and spinal disc herniation are just a couple of the disorders that can result from poor lifting technique. Employers can use materials and equipment that make the process of lifting objects easier. Properly training employees about lifting safely can mitigate negative impacts from this physical work environment factor.

Noise: Increased levels of noise in the workplace can cause employees to endure stress and fatigue. To control noise in an area, carpeting is recommended. Hard surfaces act to reflect noise and boosts the volume of anything striking those surfaces in an office. Office machines can also contribute to high noise levels. Barriers that absorb sounds can help control this. The ideal sound range for office work varies between 55 to 65 decibels.

2.1.3 Behavioral components of workplace environment: Aside from the job scope itself, one factor that significantly influences how employees feel about work is the environment. By work environment, It means everything that forms part of employees' involvement with the work itself, such as the relationship with co-workers and supervisors, organizational culture, room for personal development, etc. A positive work environment makes employees feel good about coming to work, and this provides the motivation to sustain them throughout the day. If you're looking for a new job, then we would say that assessing the work environment is a crucial step you shouldn't skip. After all, this is the place you might be working at in future and you wouldn't want to be dragging yourself to work every single morning!

1. Transparent & Open Communication:

In essence, a transparent and open form of communication addresses the employee's need to feel that what they have to say has value. It is what makes employees feel that they belong in the organization. Work then becomes meaningful because the employees know that what they contribute affects the organization that they are affiliated with. It is thus essential for staff to discuss the organization's philosophy, mission and values, from time to time during retreats, meetings, etc to ensure that everyone knows what they're working for other than their paychecks. Having open discussions get people involved and allow them to share their views and perspectives on how to achieve company goals. After which, the management side will give their own perspectives on how to fulfill the organization's mission (www.hongkiat.com).

2. Work-Life Balance: There has to be some sort of balance between work and personal life. In general, having that sense of balance will improve job satisfaction among employees because they will feel that they're not overlooking the other areas of their lives that are, if not more, important to them than work. When employees fulfill their various needs and goals in life, such as those of family, friends, spiritual pursuits, self-growth, etc, they can then feel more confident about themselves and perform their best at work. Apart from that, employees that are exposed to more experiences in life outside of work can use what they've gained and apply that to their work. In other words, work-life balance can promote creativity and out-of-the-box thinking.

3. Training & Development-Focused: In a time when change is more rampant than ever before, it is necessary for organizations to be keep abreast with the changes and train their employees accordingly. For instance, technology is evolving so rapidly that what organizations commonly used ten years ago could be made obsolete today (e.g. Zip drives, dial-up modems, etc). Adapting to change is never more crucial in this era because those who don't, get replaced. This applies to both the individual and the organization itself. A training and development-focused organization has a clear roadmap for training their employees to sustain and enhance the productivity of the organization as a whole. Essentially speaking, there are two kinds of skills that can be developed: hard skills and soft skills (www.hongkiat.com).

4. Recognition for Hard Work: Rewards are necessary to encourage certain behaviors in persons. This is known as positive reinforcement under operant conditioning in the field of psychology. It is used in organizational behavior management as well: by rewarding employees who put in effort for their work, this will promote similar behaviors in the future. A reward here doesn't have to be monetary in nature; sometimes even a

components. The analysis is implemented to a private foreign bank in Kurdistan Region of Iraq which has been operating for years in the region and offering many financial services for local consumers.

3.1 Data Collection A questionnaire has been implemented in order to test the hypothesis. The survey has 3 sections with 13 questions. In the first part; demographic information is gathered from the 50 employees who answered the questionnaire. Their gender, age, education profile and seniority are asked in the first 5 questions. In the second part, attendees gave their evaluations whether workplace environment has a real effect on their productivity level. In this part their evaluations regarding physical factors are asked directly but behavioral components are asked indirectly in order to minimize their perception. Since behavioral factors are subjective factors, questions regarding behavioral factors are allocated more than one question. Finally in the last part of the survey, attendees give points to the factors both physical and behavioral in order to rank the factors within each other.

3.1 Data Analysis: This section briefly discusses the survey results. The first section of the survey searches the demographic information on the survey attendees.

Section I: Demographic Information

The gender of this sample size is approximately in the middle of female and male. %84 of the attendees is between 20 to 39 years old. %84 of the employees have at least undergraduate degree and more than % 90 of the employees have more than 1 year seniority within the bank.

Table 1: Gender size

Gender size	Frequency	%
Male	31	62%
Female	19	38%
Total	50	100%

Table 2: Age distribution

Age	Frequency	%
20-24	4	8%
25-29	26	52%
30-39	12	24%
40 and over	8	16%
Total	50	100%

Table 3: Education Profile

Educational Profile	Frequency	%
High School	6	12%
Undergraduate Degree	42	84%
Master Degree	2	4%
Total	50	100%

Table 4: Work seniority

Work Seniority	Frequency	%
0 to 1year	10	20%
1 to 2years	14	28%
2 to 4 years	16	32%
More than 4 years	10	20%
Total	50	100%

Section II: Workplace Environment Factors

Table 5: The effect of relations with Superiors at the Workplace for Productivity

Score	Response	H/C	Percentage
1	Strongly Agree	45	90%
2	Agree	5	10%
3	Neutral	0	0%
4	Disagree	0	0%
5	Strongly Disagree	0	0%
	Total	50	100%

Table 6: Fair Treatment at the Workplace:

Score	Response	H/C	Percentage
1	Strongly Agree	43	86%
2	Agree	7	14%
3	Neutral	0	0%
4	Disagree	0	0%
5	Strongly Disagree	0	0%
	Total	50	100%

A supervisor support is crucial for employees to complete the job. Furthermore, interpersonal role of the supervisor is important to encourage positive relations and increase self-confidence of the employee. 100 % of survey attendees strongly agree that relations with superiors at the workplace affect their production. Feeling as treated fairly is important for all employees in the workplace. Fair treatment motivates all employees to do and develop their tasks with full of interest. Table 6 shows that 86% of employees strongly agree that fair treatment plays a crucial role in motivation.

Table 7: Communication System at the Workplace:

Score	Response	H/C	Percentage
1	Strongly Agree	42	84%
2	Agree	3	6%
3	Neutral	5	10%
4	Disagree	0	0%
5	Strongly Disagree	0	0%
	Total	50	100%

Table 8: Environmental Factors – Physical Factors- are Conductive to Work:

Score	Response	H/C	Percentage
1	Strongly Agree	29	58%
2	Agree	11	22%
3	Neutral	6	12%
4	Disagree	3	6%
5	Strongly Disagree	1	2%
	Total	50	100%

3.3 Testing the Hypothesis

H0: There is no relationship between office environment and productivity of the employees: based on our analysis and responses of bank employees (table 8), we reject hypothesis null.

H1: There is a relationship between office environment and productivity of employees: Based on our analysis (table 8), 80% of respondents believe there is relation. Therefore, we accept hypothesis 1.

H2: The behavioral components of office environment have a greater effect on productivity, than the physical components alone: according to our analysis table 6,7,9 illustrate that the majority of respondents agree that behavior components affect productivity thus, We accept hypothesis 2.

H3: Satisfaction of Employees towards overall Workplace Environment leads to productivity: based on our respondents answers (table 13) 82% believe that satisfaction of work place lead to productivity, thus, we accept hypothesis 3.

IV. Conclusion and Recommendations:

The researchers investigated the role of workplace environment in terms of physical as well as behavioral components on employees productivity. The analysis is implemented to a four private foreign bank operating in the Kurdistan region of Iraq and came up with the following conclusions:

4.1 Conclusion

1. The outputs show that the gender of this sample size is approximately in the middle of female and male. %84 of the attendees are between 20 to 39 years old. %84 of the employees have at least undergraduate degree and more than %80 of the employees have more than 1 year seniority within the bank.
2. The survey gives us some clues regarding the effects of environmental factors on employee's productivity from the employees' perceptions. Questions regarding relation
3. with the supervisors, fair treatment and communication within the bank are asked to the attendees in order to be ensure that behavioral environmental component are significant for them. Almost all the attendees give strongly agree replies that relation with the supervisors, fair treatment and communications is important.
4. Added to behavioral, also attendees evaluated the importance of physical factors. Surprisingly only 58% of employees give strongly agree replies to the question. It is the first clue that behavioral factor is more important than physical factors for the employees.
5. For the behavioral part emotional factors and relations are gotten the first two highest ranks. Comfort level of the offices is more important factor than the office lay out for the employees as physical environmental factors.
6. In this part of the survey, satisfaction of the employees' towards the physical and behavioral environmental factors is evaluated. Employees are not satisfied with the physical factors which the bank provided for them. But on the other hand, employees' satisfaction towards the behavioral environmental factors is remarkably high.
7. At the last question, overall satisfaction towards the workplace environment is asked to the employees, They give favorable results, almost all of them declared that they are satisfied with the workplace environment.
8. Finally, survey results show that while the employees are unhappy with the physical conditions of the workplace, they have remarkable satisfaction with the workplace by having strong behavioral workplace conditions.

According to the survey results it is proven that:

There is a relationship between office environment and productivity of employees.

Behavioral components of office environment have a greater effect on productivity, than the physical components alone.

Satisfaction of Employees towards overall Workplace Environment leads to productivity.

4.2 Recommendations

1. The results of this research depend on employees' perception which has been implemented in order to analysis the effects of workplace environment towards to employees' performance, Since there is no performance management measures in the bank, the real effects of workplace environment on employees' performance (productivity) could not be measured systematically.
2. In addition to this, 50 employees of the banks work in the same department when conducted the survey. Survey results could be altering if the survey would conduct to the other department's employees.
3. Also, the research could be extended by investigating the gender differences towards the effects of workplace environment and productivity.

Research Paper: The Consequence of work environment on employee productivity

Student Name.....

1. From the research paper, what is the definition of productivity?

2. From the research paper, what is the definition of workplace environment?

3. What are four research hypothesis?

4. What are the results of testing four research hypothesis?

5. List and explain eight conclusion on the research paper.

6. Recommend two ideas to enhance productivity of staff at Suan Sunandha Rajabhat University, International College.